

BEFORE THE ARIZONA CORPORAT

COMMISSIONERS

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Mike Gleason, Chairman William A. Mundell Jeff Hatch-Miller Kristin K. Mayes Gary Pierce Arizona Corporation Commission

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CASE NO. 136

DOCKET NO. L-00000D-07-0682-00136

DECISION NO. _

70325

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA

THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360, et seq., FOR A CERTIFICATE OF

ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE SUNDANCE TO PINAL SOUTH 230 kV TRANSMISSION PROJECT, WHICH ORIGINATES AT THE SUNDANCE GENERATING STATION, SECTION 2, TOWNSHIP 6 SOUTH, RANGE

7 EAST, AND TERMINATES AT THE FUTURE PINAL SOUTH SUBSTATION, SECTION 30, TOWNSHIP 6 SOUTH,

RANGE 8 EAST, IN PINAL COUNTY, ARIZONA.

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The Arizona Corporation Commission ("Commission") has conducted its review, pursuant to A.R.S. § 40-360.07. The Commission finds and concludes that the Certificate of Environmental

Compatibility ("CEC") issued by the Arizona Power Plant and Transmission Line Siting Committee

("Committee") is hereby granted by this Order.

The Commission further finds and concludes that: (1) the Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power; (2) in balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC by the Committee effectively minimize its impact on the environment and ecology of the state; (3) the conditions placed on the CEC by the Committee resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised; and (4) in light of these conditions, the balancing in the broad public interest results in favor of granting the CEC.

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THE CEC ISSUED BY THE SITING COMMITTEE IS INCORPORATED HEREIN AND IS APPROVED BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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9	COMMISSIONER	COMMISSIONER COMMISSIONER
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11		IN WITNESS WHEREOF, I BRIAN C. MCNEIL, Executive Director of the Arizona Corporation Commission, have
12		hereunto, set my hand and caused the official seal of this
13		Commission to be affixed at the Capital, in the City of Phoenix, this day of <u>Spril</u> , 2008.
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17		BRAN C. MCNEIL Executive Director
18		Executive Director
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21	DISSENT:	
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BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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IN THE MATTER OF THE

SERVICE COMPANY, IN

FOR A CERTIFICATE OF

CONFORMANCE WITH THE

REQUIREMENTS OF ARIZONA

APPLICATION OF ARIZONA PUBLIC

REVISED STATUTES §§ 40-360, et seq.,

ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE SUNDANCE TO PINAL SOUTH 230kV TRANSMISSION

PROJECT, WHICH ORIGINATES AT THE SUNDANCE GENERATING

STATION, SECTION 2, TOWNSHIP 6

SOUTH SUBSTATION, SECTION 30, TOWNSHIP 6 SOUTH, RANGE 8 EAST,

TERMINATES AT THE FUTURE PINAL

SOUTH, RANGE 7 EAST, AND

IN PINAL COUNTY, ARIZONA.

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Docket No.

L-00000D-07-0682-00136

Case No. 136

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee") held public hearings on January 22 and 23, 2008, and February 11, 2008, all in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the Application of Arizona Public Service Company ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case (the "Project").

The following members and designees of members of the Committee were present at one or more of the hearings for the evidentiary presentations and/or for the deliberations:

1	Jennifer Boucek	Chairman, Designee for Arizona Attorney General, Terry Goddard	
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3	David L. Eberhart, P.E.	Designee for Chairman, Arizona Corporation Commission	
4	Jack Haenichen	Designee for Director, Energy Department, Arizona	
5	Jack Haemenen	Department of Commerce	
6	Paul Rasmussen	Designee for Director, Arizona Department of	
7		Environmental Quality	
8	Jeff McGuire	Appointed Member	
9	Michael Palmer	Appointed Member	
10	Joy Rich	Appointed Member	
11	A. Wayne Smith	Appointed Member	
12	Barry Wong	Appointed Member	
13	The Applicant was represented by Thomas H. Campbell and Albert H. Acken of		
14	Lewis and Roca LLP. The following parties were granted intervention pursuant to A.R.S.		
15	§ 40-360.05: Pinal County represented by Lawrence V. Robertson, Jr. and Chris M. Roll;		
16	Lonesome Valley Farms Limited Partnership, Jacob Roberts and Gail Robertson (the		
17	"Roberts") represented by Court S. Rich; Arizona Corporation Commission ("ACC" or		
18	"Commission") Staff represented by Charles Hains		

At the conclusion of the hearings, the Committee, having received the Application, the appearances of the parties, the evidence, testimony and exhibits presented at the hearings, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13, upon motion duly made and seconded, voted 8 to 0 to grant the Applicant this Certificate of Environmental Compatibility (Case No. 136) for the Project.

"Commission") Staff, represented by Charles Hains.

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The Project as approved consists of approximately seven miles of double-circuit 230kV transmission line and required substation facilities and modifications. A general location map of the Project, described herein, is set forth in **Exhibit A**.

The Project will originate at a new 10-acre substation to be located on property owned by the Applicant adjacent to the Sundance Generating Station, Section 2, Township 6 South, Range 7 East (ACC Decision #63863, Line Siting Case No. 107). A double-circuit 230kV tie-line will be built from the new substation to interconnect with the existing substation located on the north side of the Sundance Generating Station.

From the new substation, the Project will proceed west, within the Northern Corridor Area described below, south of existing and future planned natural gas lines north of Randolph Road, on structures designed to accommodate double-circuit 230kV with 69kV circuits underbuilt. The approved route for the Project then turns south along the Curry Road alignment to the Southern Corridor Area, described below. From this point the Project proceeds east within the Southern Corridor Area to the future Pinal South Substation, located in Section 30, Township 6 South, Range 8 East (approved as part of ACC Decision #68093, Line Siting Case No. 126).

The total right-of-way width is 130 feet within a general corridor that is a minimum of 500 feet wide, except in the areas identified as the Northern Corridor Area and Southern Corridor Area in **Exhibit A**. The Northern Corridor Area is a 2700-foot corridor north of Randolph Road, on property owned by the Applicant, from 250 feet east of Tweedy Road to the half-section between Curry and Tweedy Roads. The Northern Corridor Area also includes an area that is a 1380-foot corridor north of Randolph Road, from the half-section between Curry and Tweedy Roads to 250 feet west of Curry Road. The Southern Corridor Area is a 3000-foot corridor south from the half-section between State Route 287/Florence Boulevard and the Earley Road alignment, beginning 250 feet west of Curry Road to 1000 feet east of Eleven Mile Corner Road. Conceptual models of tower types are depicted in

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Figures G-1 through G-6 of Hearing Exhibit APS-2 (Supplemental Packet #1, Tab 4), attached hereto as Exhibit B.

This Certificate is granted upon the following conditions:

- 1. The Applicant shall obtain all required approvals and permits necessary to construct the Project.
- 2. The Applicant shall comply with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Pinal, the United States, and any other governmental entities having jurisdiction.
- 3. This authorization to commence construction of the Project shall expire seventeen years from the date the Certificate is approved by the Commission; provided, however, that prior to such expiration the Applicant or its assignees may request that the Commission extend this time limitation.
- 4. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all complaints of radio or television interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained.
- 5. The Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law and shall, to the extent feasible, minimize the destruction of native plants during Project construction.

- 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or object that is at least fifty years old is discovered on state, county or municipal land during plan-related activities, the person in charge shall promptly report the discovery to the Director of the Arizona State Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum pursuant to A.R.S. § 41-865.
- 7. The Applicant shall design the transmission lines so as to mitigate impacts to raptors.
- 8. The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.
- 9. Within 120 days of the Commission decision granting this Certificate,
 Applicant will post signs in public rights-of-way giving notice of the Project
 corridor to the extent authorized by law. The Applicant shall place signs in
 prominent locations at reasonable intervals such that the public is notified
 along the full length of the transmission line until the transmission structures
 are constructed. To the extent practicable, within 45 days of securing
 easement or right-of-way for the Project, the Applicant shall erect and
 maintain signs providing public notice that the property is the site of a future
 transmission line. Such signage shall be no smaller than a normal roadway
 sign. The signs shall advise:

- (a) That the site has been approved for the construction of Project facilities;
- (b) The expected date of completion of the Project facilities;
- (c) A phone number for public information regarding the Project;
- (d) The name of the Project;
- (e) The name of the Applicant; and
- (f) The Applicant's website.

Sign placement will be reported annually in accordance with Condition 16.

- 10. Before construction on this Project may commence, the Applicant must file a construction mitigation and restoration plan ("Plan") with ACC Docket Control. Where practicable, the Plan shall specify that the Applicant use existing roads for construction and access, minimize impacts to wildlife, minimize vegetation disturbance outside of the Project right-of-way, and revegetate native areas following construction disturbance.
- 11. With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner.
- 12. The Applicant shall provide copies of this Certificate to Pinal County
 Planning and Development, the Arizona State Land Department, the State
 Historic Preservation Office, and the Arizona Game and Fish Department.
- 13. Prior to the date this transmission line is put into commercial service, the Applicant shall provide known homebuilders and developers within one mile of the center line of the Certificate route the identity, location, and a pictorial depiction of the type of power line being constructed, accompanied by a written description, and encourage the developers and homebuilders to

- include this information in the developers' and homebuilders' homeowners' disclosure statements.
- 14. The Applicant will not construct the Project on any portion of the existing Pinal County Fairgrounds, a 120+/- acre parcel, owned by Pinal County, described as N1/2 SE 1/4 and the SE1/4 NE1/4 Section 25, T6S, R7E, G&SRB&M, Pinal County, Arizona, without the prior written consent of Pinal County.
- 15. Before commencing construction of Project facilities located parallel to and within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant shall:
 - (a) Perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. If material adverse impacts are noted in the studies, Applicant shall take appropriate steps to ensure that such material adverse impacts are mitigated. Applicant shall provide to Commission Staff reports of studies performed; and
 - (b) Perform a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. This study should either: i) show that such outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. Applicant shall provide a copy of this study to Commission Staff.

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16	. The Applicant shall submit a self-certification letter annually, identifying
	progress made with respect to each condition contained in the Certificate,
	including which conditions have been met. Each letter shall be submitted to
	the Utilities Division Director on December 1 beginning in 2008. Attached
	to each certification letter shall be documentation explaining how
	compliance with each condition was achieved. Copies of each letter along
	with the corresponding documentation shall be submitted to the Arizona
	Attorney General and Department of Commerce Energy Office. The
	requirement for the self-certification shall expire on the date the Project is
	placed into operation.

17. Applicant will follow the latest Western Electricity Coordinating Council/ North American Electric Reliability Corporation Planning standards as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.

DATED this 15 day of February, 2008.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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Exhibit A

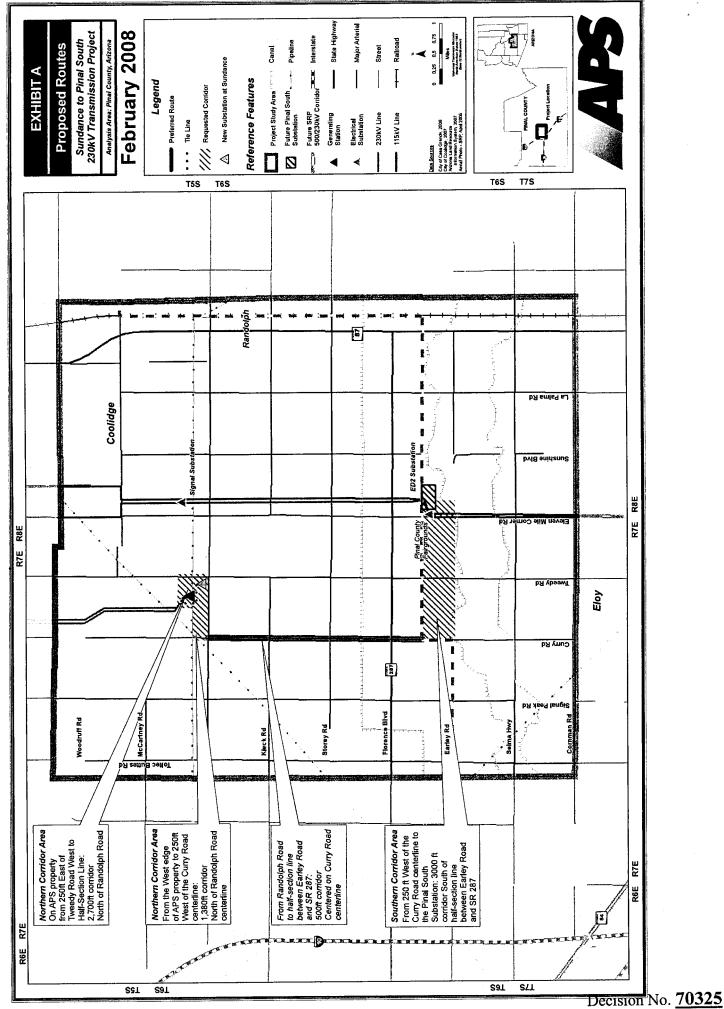
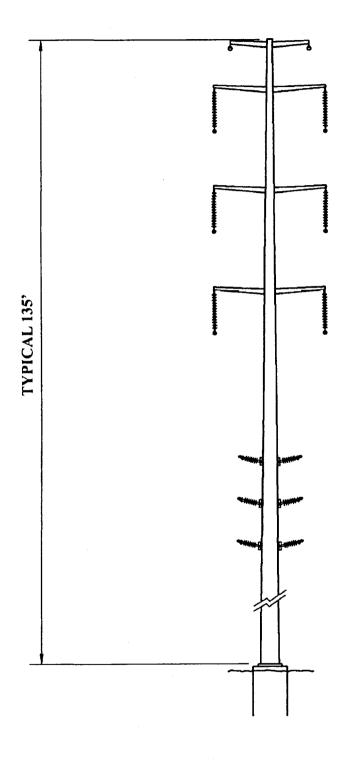


Exhibit B

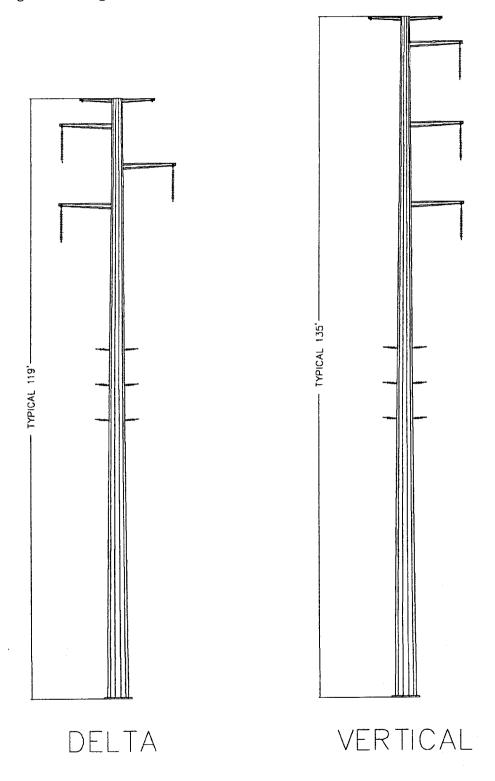
Figure G-1 Double-circuit 230kV with Double-circuit 69kV Underbuild



APS Sundance to Pinal South 230kV Transmission Project

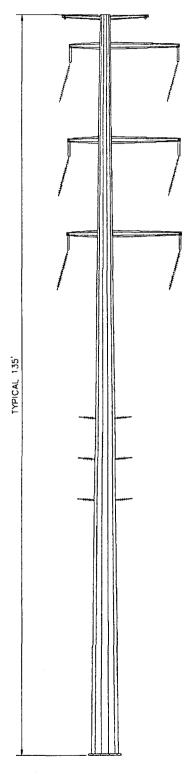
Supplemental Packet #1

Figure G-2 Single-circuit 230kV with Double-circuit 69kV Underbuild



APS Sundance to Pinal South 230kV Transmission Project

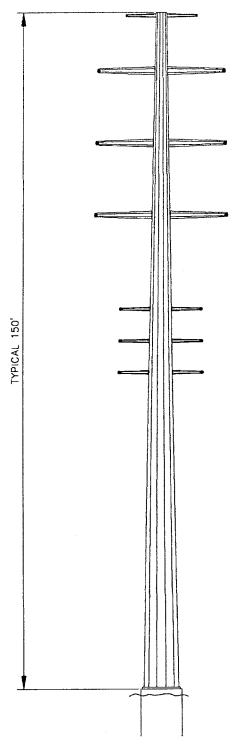
Figure G-3: Double-circuit 230kV Single Pole Turning Structure with Double-circuit 69kV Underbuild



APS Sundance to Pinal South 230kV Transmission Project

Supplemental Packet #1

Figure G-4: Double-circuit 230kV with Double-circuit 69kV Underbuild Single Pole 90° Turning Structure



APS Sundance to Pinal South 230kV Transmission Project

Supplemental Packet #1

Figure G-5: 230kV with 69kV Underbuild Two Pole 90°, Dead End, and Turning Structure

APS Sundance to Pinal South 230kV Transmission Project

Supplemental Packet #1

TYPICAL 57'

Figure G-6: Single-circuit 230kV H-Frame Structure

Application for a Certificate of Environmental Compatibility Supplemental Packet #1

APS Sundance to Pinal South 230kV Transmission Project EXHIBIT G-7